## **DEPARTMENT OF THE NAVY**

OFFICE OF THE ASSISTANT SECRETARY
(RESEARCH, DEVELOPMENT AND ACQUISITION)
1000 NAVY PENTAGON
WASHINGTON DC 20350-1000

## AUG 1 0 2010

## MEMORANDUM FOR DISTRIBUTION

SUBJECT: Department of the Navy (DoN) Preferred Supplier Program (PSP) Initiative and Contractor Performance Assessment Reporting

DoN is piloting an initiative that may reward contractors that demonstrate exemplary performance, at the corporate level in the areas of cost, schedule, performance, quality, and business relations with Preferred Supplier (PS) benefits. PS status will not be a factor in source selection. It may, however, provide contractors who are designated as Preferred Suppliers with more favorable contract terms and conditions.

The primary source for contractor performance information will be the Past Performance Information Retrieval System (PPIRS). PPIRS is a web-enabled, enterprise application that provides contractor past performance information to the Federal acquisition community. Contractor performance data is reported to PPIRS from the Contractor Performance Assessment Reporting System and related Architect-Engineer Contract Administration Support and Construction Contractor Appraisal Support systems (CPARS).

My memorandum of June 8, 2010, reiterated the reporting requirements of the Federal Acquisition Regulation and the Department of Defense CPARS Policy Guide, March 2010, and requested appropriate action to fulfill all reporting requirements. Although the most recent CPARS non-compliance report (attached) indicates that we are making progress, there are still outstanding contracts for which required CPARS reporting has not been completed. All eligible CPARS must be completed no later than September 17, 2010. Completing reports on DoN top suppliers (attached), as determined by the value of contract awards for the most recent fiscal year, should take priority in accomplishing this task.

It is imperative that accurate and complete contractor past performance information be available in PPIRS to support the DoN Preferred Supplier initiative. I have requested the Deputy Assistant Secretary for Acquisition and Logistics Management to provide me a compliance update no later than September 30, 2010. If you need assistance in completing the CPARS contact your HCA. All other questions should be addressed to Bob Johnson at Robert.F.Johnson@Navy.MIL, (703) 693-2936.

James E. Thomsen

Principal Civilian Deputy

Attachments: As stated

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